

Commissioner of the Internal Revenue Service, Charles P. Rettig, Pens an Op-Ed for The Washington Post Urging Congress to Provide IRS with Vital Funding

November 11, 2021

Today, The Washington Post published an op-ed by Commissioner of the Internal Revenue Service, Charles P. Rettig. In the piece, Commissioner Rettig urges Congress to enact the administration's proposal to provide the IRS with \$80 billion in vital funding over the next decade.

Commissioner Rettig notes: "The Administration estimates \$400 billion in additional revenue can be generated over the next decade from enforcement efforts focused on higher-end incomes, shrinking the tax gap. This figure is no surprise: If given the resources we need, we will be able to make a sizable dent in noncompliance over several years. A properly funded and trained workforce will also have a significant deterrent effect on cheating".

He concludes: "We desperately need sufficient resources to be able to appropriately serve and support you and our country. The funding proposal offers a historic opportunity to help the IRS help others. Congress must act".

Read the full op-ed below.

[WASHINGTON POST: OPINION - IRS commissioner: We desperately need resources so the agency can serve you and our country](#)

By Charles P. Rettig

Charles P. Rettig is the 49th commissioner of the Internal Revenue Service. He was appointed in 2018 after nearly four decades as an attorney specializing in tax law.

[11/11/2021]

Over the past decade, the IRS budget has been decimated. Today's historically low level of funding means that the agency is not equipped to provide the American people the service they deserve or to fully enforce the tax laws against those who evade them.

This should be recognized as the crisis it is. The IRS plays a pivotal role in our country's overall success: Last year, it collected more than \$4 trillion, providing about 95 percent of the nation's gross revenue. As IRS commissioner, I'm proud to note that the ability of the United States to provide its citizens with meaningful services and benefits — including defense, infrastructure, education and support for families — depends in large part on the agency's work.

That is why, as IRS commissioner, I strongly urge Congress to enact the administration's proposal to provide us with \$80 billion in vital funding over the next decade.

Suggestions that the agency may not be fully capable of efficiently using these funds ignore the fact that the IRS workforce is the same size as in 1970, though the population has grown by 60 percent and the complexity of the economy has increased exponentially. And they ignore the ever-growing set of responsibilities — such as the distribution of pandemic-related stimulus payments — that the IRS is required to carry out.

The status quo is untenable: It's frustrating to taxpayers, it's frustrating to our employees and it's frustrating to me. Today, we have fewer than 15,000 people to handle more than 240 million calls received in the first half of this year alone. We have fewer auditors than at any time since World War II. Dozens of the assistance centers across the country that provide face-to-face service sit empty because we don't have the resources to hire staff. Many of these are located in vulnerable, underserved areas, which I passionately believe need help.

Three years ago, I joined the IRS workforce with the goal to improve the tax system for everyone. Within the past year, we made historic progress in multilingual outreach efforts and in underserved communities. We have the desire to do more, but such efforts are significantly diminished as we continue to face enormous resource, staffing and technology challenges. Likewise, limited resources and ever-expanding responsibilities have reduced our ability to enforce the tax laws against sophisticated taxpayers who dodge their obligations by using intricate financial arrangements reported on complex tax returns, often involving multitiered entities. Resource limitations make it difficult for us to identify and maintain meaningful audit

coverage of high-income taxpayers, partnerships and large corporations, despite their outsize contribution to the tax gap. Indeed, audits of taxpayers with annual income over \$1 million dropped by more than 60 percent in the past decade. The result of a diminished IRS means at least 15 percent of taxes owed to the government are uncollected each year.

Make no mistake — many wealthy taxpayers and large corporations readily pay what they owe, but many do not. Every American should agree that it is unacceptable for our nation's tax administrator to be “outgunned” when appropriately challenging aggressive moves by some of the most sophisticated taxpayers. Stable funding would allow us to finally build and train an effective workforce to collect the taxes owed.

The administration estimates \$400 billion in additional revenue can be generated over the next decade from enforcement efforts focused on higher-end incomes, shrinking the tax gap. This figure is no surprise: If given the resources we need, we will be able to make a sizable dent in noncompliance over several years. A properly funded and trained workforce will also have a significant deterrent effect on cheating.

But the administration's funding request is about much more than enforcement. This long-term investment would help build the modern IRS that Americans deserve. Imagine a system where any person with a laptop or a phone wouldn't have to call the IRS to ask about their refund or return because that information would be easily available in their personal online accounts, in the language of their choice.

IRS employees want to do more to help taxpayers. We want to be able to answer the phones and respond to questions. We want to be ready, when the next national crisis hits, to deliver economic relief quickly — as our employees have worked long hours to do during the pandemic. We remain committed to ensuring that the tax system is enforced fairly, Americans receive the quality of services they deserve, and that no one feels safe cheating on their taxes.

But to do all this, we need help. We desperately need sufficient resources to be able to appropriately serve and support you and our country.

The funding proposal offers a historic opportunity to help the IRS help others. Congress must act.

